

## GREEN HRM: A WAY FOR CORPORATE SUSTAINABILITY

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### ABSTRACT

*Human resource department of an organization is supposed to have a means to play an important role in the design of their organization's sustainability. Now organizations focusing on Green HR and they want to get higher efficiency by implementing these practices in HR functions. Green human resource (HR) is one which involves two essential components ecofriendly HR practices and the preservation of knowledge assets. Green HR practices involve minimizing paper work and focusing on green sustainable practices. Green HRM means using every employee interface in such a manner in order to promote and maintain sustainable business practices as well as creating awareness, which in turn, helps organizations to operate in an environmentally sustainable fashion. Therefore this paper aims to presents the concept of Green HRM and Corporate sustainability and implementing HR functions in Green Culture.*

**KEY WORDS:** *Green HRM, Sustainability and Ecosystem*

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### INTRODUCTION

Human resource department of an organization is supposed to have a means to play an important role in the design of their organization's sustainability. Many authors, particularly in the area of HRM, argued that the helpfulness and success in any management innovation and strategic tools are depending on the quality and facility of their human resources. Green HRM refers to using every employee to support sustainability, increase employee responsiveness and commitments on the problems of sustainability. It involves undertaking ecofriendly initiatives resulting in greater efficiency, Green HR practices involve minimizing paper work and focusing on green sustainable practices.

### Concept of Green HRM

The concept of Green HRM has emerged with the initiation of Green Movement. Green Movement is a political program which advocates four important elements Environmentalism, Sustainability, Non-violence and Social justice. Supporters of the Green Movement are called "Greens", adhere to Green Ideology and share many ideas with ecology, conservation, environment. With the increasing awareness levels of the Green Movement across the world, research scholars from diverse areas such as accounting, marketing, logistics and HRM also start analyzing that how managerial practices in these areas can contribute to ecofriendly management goals. Already today, the UN Global Compact in collaboration with several educational organizations has developed the (PRME) Principles for Responsible Management Education, encouraging scholars and managers to jointly work on developing new knowledge to promote ecofriendly responsibility. In fact the development and the execution of an organizational ecofriendly initiative, involves several units of the organization and must take various roles for over

all development of the corporates.

### Green HRM Global Scenario

**Table 1: Top 25 Green Companies in the World 2015**

S. No	Green Score	Company	Country	Sector
1	89.20%	Biogen Inc.	United States	Health Care
2	85.10%	SHIRE PLC	Ireland	Health Care
3	84.20%	Allergan, Inc.	United States	Health Care
4	84.10%	Reckitt Benckiser Group PLC	United Kingdom	Consumer Staples
5	82.60%	Adobe Systems Incorporated	United States	Information Technology
6	81.60%	Swisscom AG	Switzerland	Telecommunication Services
7	81.30%	Unilever PLC	United Kingdom	Consumer Staples
8	81.30%	Broadcom Corporation	United States	Information Technology
9	80.40%	Roche Holding AG	Switzerland	Health Care
10	80.40%	BT Group PLC	United Kingdom	Telecommunication Services
11	79.00%	Atlas Copco Aktiebolag	Sweden	Industrials
12	77.80%	Ecolab Inc.	United States	Materials
13	76.90%	Siemens Aktiengesellschaft	Germany	Industrials
14	76.60%	Compass Group PLC	United Kingdom	Consumer Discretionary
15	75.40%	Novo Nordisk A/S	Denmark	Health Care
16	74.90%	Aflac Incorporated	United States	Financials
17	74.70%	UnitedHealth Group Incorporated	United States	Health Care
18	74.50%	Apple Inc.	United States	Information Technology
19	74.50%	MetLife, Inc.	United States	Financials
20	74.20%	DIRECTV	United States	Consumer Discretionary
21	74.00%	NTT DOCOMO, Inc.	Japan	Telecommunication Services
22	73.50%	CVS Health Corporation	United States	Consumer Staples
23	73.20%	Johnson & Johnson	United States	Health Care
24	72.90%	Telefonica, S.A.	Spain	Telecommunication Services
25	72.80%	Schneider Electric SE	France	Industrials

**Source:** Newsweek

**Table 2: Top 10 Green Companies in India 2015**

S No	Company Name
1	Suzlon Energy
2	ITC Limited
3	Tata Metalinks Limited
4	Tamil Nadu Newsprints and Papers Limited
5	Wipro Technologies
6	HCL Technologies
7	Oil & Natural Gas Company
8	IndusLand Bank
9	Tata Consultancy Services
10	Idea Cellular

**Source:** Newsweek

## Green HRM

Green HRM include eco-friendly HR initiation and practices for sustainable use of resources that resulting in more efficiencies, Less wastage, improving Job Related Attitude, improving Work life balance, lower costs, Improved employee performance and employee retention which in turn help organization to reduce employee carbon footprints by the mean of Green HRM practices. Opatha and Arulrajah (2014) refers that Green HRM is the use of HR policies, practices, and schemes in the organization that make benefit the individual, team, society, environment, and the organization. Different researchers describe Green HRM in different ways, but somehow their intentions are same for sustainability of Human resources and their environment.

## Key Research Objective

The main objective of this paper is to explain the concept of Green HRM, role of green HR in corporate sustainability, how to get sustainability in organizational ecosystem and future prospects of Green HRM.

## Literature Review

The HRM does not only represent a major internal stakeholder within the company, but it is also a source for competitive advantage (Wright, Dun ford & Snell, 2007). In 2000 Dunphy, Benveniste, Griffiths and Sutton linked the implementation of ecological sustainability with human sustainability. The authors pointed out that the training and investment in human resources goes ideally along with ecological sustainability. Currently, many corporations are implementing a proactive, strategic tool known as an Environment Management System to gain competitive advantage (Daily and Huang, 2001). This system provides a structure that allows management of the firms the ability to better control the firm's environmental impacts (Barnes, 1996; Florida and Davison, 2001). However it is maintained by many that the role of employee involvement in EMS implementation has one of the most fundamental influences on its effectiveness and success. Sudin (2011) discussed the positive effects of the types of green intellectual capital on corporate environment citizenship, leading to competitive advantage of firms. Thus there is a need redefining HR role from HR executives to environmental executives who achieves employee cooperation in implementing environmental policies (Wehrmeyer and Parker, 1996). Against this back ground it can be assumed that Green HRM is all about the holistic application of the concept of sustainability to organization and its workforce. It involves green actions focused on increasing efficiency within processes, reducing and eliminating environmental waste, and revamping HR products, tools, and procedures resulting in greater efficiency and lower costs. The results included: electronic filing, car sharing, work sharing, teleconferencing and virtual interviews, recycling, telecommunication, online training, and developing ets

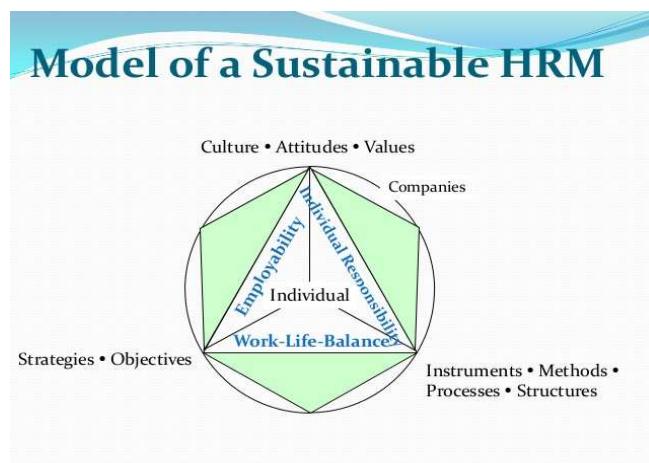
## The Role of HR in Corporate Sustainability

Previously, the role of HR in corporate sustainability programs had not been given much consideration. This has changed and recent studies by the Center of Effective Organizations suggest that HR related sustainable activities have a positive effect on employee allegiance, shareholder value, employee engagement and recruitment and profits. In fact, over 82% of HR executives say that such practices have an affirmative impact on corporate profits. But, surprisingly only 51% of executives say that sustainability is a chief focus of the HR department in their company. The future is set to change as many companies are now choosing to offload a lot of HR related tasks by using CIPHR HR Software, which frees them up to give sustainability and its role in their HR practices better consideration.

In order for organizations to really benefit from integrating sustainability into their HR practices, it's

recommended that they incorporate it into all of the processes that HR controls. This does not mean that all HR actions should be paperless to avoid a negative environmental impact, or that all processes should be solely focused on sustainability. It simply means that organizations should build sustainability practices and procedures into its major HR activities.

As previously mentioned, sustainability does not play a factor in the formation of HR practices in most organizations. Nor does it have any influence on how that company controls its day-to-day operations. But given the fact that sustainability is now playing a much more significant role in corporate functions, it's only a matter of time until all HR departments incorporate it into their primary duties and the way they carry them out. Building processes with sustainability as one of their core values in a win/win situation for HR as it increases efficiency while promoting a positive brand to clients and fellow companies alike.



**Figure 1: Model of a Sustainable HRM**

### **Role of HR functions in Green Culture**

Human resource department plays very crucial role in translating green policy into practice (Renwick, 2008) and the creation of sustainable culture within the company (Harmon et al., 2010), argued that such green practices help in fulfillment of green objectives throughout the HRM process from employee recruitment to employee exist (Dutta, 2012). Cherian and Jacob (2012) opined that there are certain factors which contribute specific role in employee implementation of green ideologies these factors are recruitment, training, motivation and reward in order to make sure that the organization gets right employee input and they can improve the performance.

### **Green Recruitment**

Green recruitment is process of recruiting new talent who are aware of sustainable process, ecofriendly systems and familiar with words of safeguarding the sustainable environment. Green recruitment make it sure that new talent are familiar with the green practices and ecofriendly system that will support the effective environmental management within the organization (Wehrmeyer, 1996) because In the competition of attracting most creative and versatile employees, companies increase their recruiting potential, hiring quality staff is the very crucial challenge in the war of talent (Renwick et al., 2013) and even companies are also know the fact that being an employer is an effective way to attract new talent (Phillips, 2007; Stringer, 2009). There are number of companies who adopted green recruitment process, Google is a very good example of a company who adopted green recruitment few other companies are Timberland, and yes. Green

Recruitment has not any particular definition, but somehow it means recruitment without the use of paper that minimizes the environmental impact. Recruitment practices can help to improve environmental management systems by ensuring that environmental culture and values are very well clear to the new recruits.

### **Green Performance Management**

Performance management is a continuous process in the organization which will assess the performance of the individual from time to time, in support of realizing the strategic objectives of the firm. Green performance management includes the challenges related to policies of the organization and environmental protection by Integration of environmental management into performance management. It is an act of safeguarding the environment from damages. Green performance management plays very vital role in the effectiveness of green management (Jabbour and Santos, 2008).

### **Green Training and Development**

Every organization works in an organized environment and every organization face competition in this world. Whatever changes occurs in the real world they organizations must resist to that change. Training and development is a practice that directing a great deal of attention on development of employee skills, talents and knowledge that relate to specific useful competencies. (Zoogah 2011). Green training and development train the employees on working methods that minimizes wastage, optimum utilization of resources, safeguarding of energy and reduces the causes of environmental degradation, it provides an opportunity to employee engagement in environmental problem solving (Zoogah 2011). Perron et al., (2006) has done study by taking case study approach and they identified the role of Green training and development train in creating business value. They exhibited Environmental sustainable development policy. They encourage employees to come up with new ideas that reduce the cause of environmental degradation.

### **Green Compensation and Reward**

Green Compensation and reward is another potential tool for supporting ecofriendly management activities this may help to make effort for the attainment of environmental goals in which organization can sustain. (Milliman and Clair, 1996).

Compensation and reward are the important factors of HRM process, these elements are important for maintaining employee interest and attention towards the organization. The reward system policies must focus on attracting, retaining and motivating the employee which leads to achieve organizational objectives. (Teixeira et al., 2013) and improve the organizational commitment (Daily and Hang, 2001). Taylor et al., (1992) has done study in which he takes 16 companies from 5 different countries and examined that the companies offer green rewards to their employees for their performance were more inclined to follow the green practices.

### **Employee Participation in Green HR Practices**

Every organization may vary basing on its size of human resource. As they have different mindsets, attitudes but they will work for common goal of the organization (Reusswig, 1994; Soderholm, 2010). Some employees follow the practices that cause environment degradation and some employees adopt ecofriendly practices. It is to be accepted that employees who are energetic, vigorously involved in environmental management practices they may play a vital role in arriving at more desirable or effective environmental strategies to get sustainable. Employees may feel the authority or power to change specific environmental management philosophy as a resulted of stimulating human resource policies which

present more desirable or satisfactory opportunities for enhancement related to depletion of waste (Cherian and Jacob, 2012).

Employee participation is very important to identify customers, creating value (Sandra Rothenberg, 2003; T. Ramayah Elham Rahbar, 2013). Forman, M and Jorgensen, MS, (2001) focus on employee participation in environmental work within the organization. The cases recognition of those situations in shaping the organization for its own growth and sustainability where alternative vis – a - vis employee participation are made: (1) The requirement is to involve the employee in environmental related work where the employee must engage himself for environmental protection; (2) The expertise in building among individual for environmental protection and (3) The stabilization of the environmental practices.

### **Ecosystem and Organizational Sustainability by using GHRM**

#### **Organizational Theory**

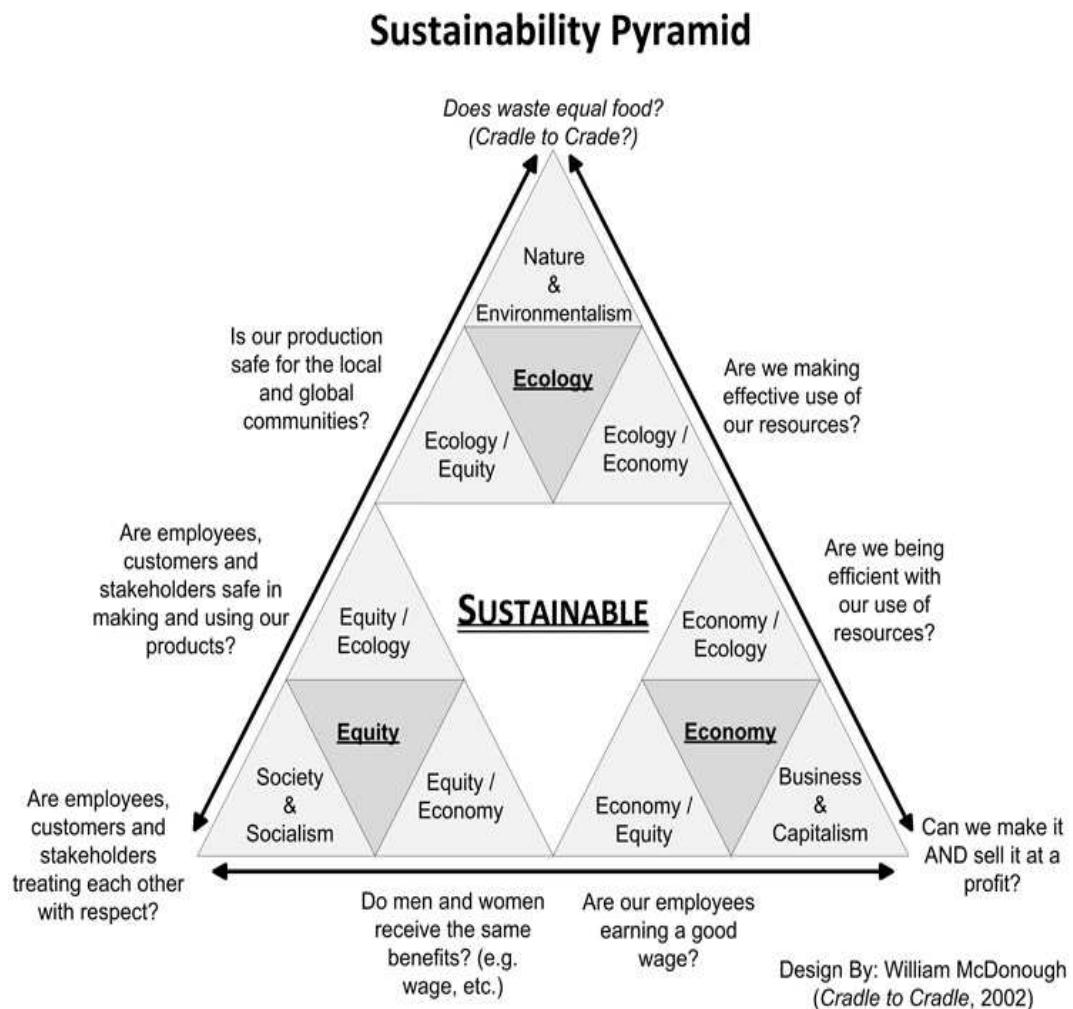
Organizational theory sees sustainability as an overarching concept to which organizations may contribute, but in which other factors, such as population growth, have an equally important role. Shrivastava offers organizational strategies that make the firm a player in different types of ecological and market niches, from least cost producer to new market developer. Egri and Pinfield (1995), in their review of organizational approaches to the environment, suggested that sustainability also requires fitting organizational systems into broader social and ecological systems in such a way that each contributes to sustainability. However, few of these theorists have gone far in conceptualizing sustainability.

#### **Ecological Views**

In ecology, "organizational sustainability" is a subset of the larger concept, "sustainability," which, in turn, is directly related to the long-term carrying capacity or survival of a system. Although the most recognized and accepted definition of sustainability is that offered by the WCED, this definition has been attacked for advocating two apparently irreconcilable objectives as well as for being too disconnected from the natural ecology and for lacking operational goals and guidelines for action (e.g., see Rees, 1991; Schmidheiny, 1992). Our own reading of ecology leads us to believe that "sustainability" is a concept embedded in a larger theory about how the ecological system and the social system must relate to each other in order to remain intact over long periods of time



**Figure 2**

**Figure 3**

#### Green HRM Future Prospects

HR plays an important role in managing people, which is regarded as an Asset of an organization. The people in the organizations must realize the importance of Green Movement, and Green HR. It is the responsibility of HR Managers to incorporate the Green HR Philosophy in corporate mission statement and in HR-Policies. It should also spread through training programmes to the employees and in recruitment process. Green Human Resource Management (HRM) is the use of HRM policies to promote the sustainable use of resources within business organizations and, more generally, promote the cause of environmentalism. Green HRM is increasing as a result of mounting concern over global warming and the adverse effect of much business activity on the natural environment. In business human resources professionals play a crucial role in organization's green movement. HR professionals try to reinforce the green culture within the business systems. Green employer always focus on the HR benefits what we can get through ecofriendly practices.

#### CONCLUSIONS

Green HRM appears to be encouraging for all the stakeholders in the organizations. The employers and experts must create linkages between participation and involvement in ecofriendly management programmes to improve organizational sustainability by focusing on encouraging green practices. Green ideas and concepts are beginning to gather

pace within the HR space, often complementing existing sustainability-based initiatives. Increasingly they are delivering tangible benefits to the business, rather than simply adding a gloss to brand and reputation. These new processes, policies, products and tools are actually helping to ensure compliance and improve productivity too. In this regard, this paper brings out some of the prospects to get sustainability through Green HR practices in the organizations.

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